



## **2019 Action Plan Community Development Block Grant (CDBG)**

### **Executive Summary**

#### **AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)**

##### **1. Introduction**

The 2019 Action Plan establishes the goals for the 2019 program year, based on the needs identified in the 2015-2019 Consolidated Plan. This Action Plan covers the fifth year of the Consolidated Plan and formulates a plan to achieve many of the objectives and outcomes stated in the Consolidated Plan. The City of Mankato was awarded \$376,417 for the 2019 program year.

##### **2. Summarize the objectives and outcomes identified in the Plan**

For the 2019 Action Plan, the following objectives and outcomes are proposed:

Objective 1: Owner Occupied Housing Rehabilitation (\$51,417)

Outcome: Increase the availability/accessibility to decent housing by providing owner occupied housing rehabilitation funds for two dwelling units. This will be accomplished by providing 0% interest deferred loans, up to \$25,000 each, to qualifying low to moderate income households in the targeted areas. Demand for this program remains strong. Should any program income be received during the 2019 program year it would be allocated to owner occupied housing rehabilitation.

Objective 2: Special Needs (\$52,000)

Outcome: Increase the availability/accessibility to a suitable living environment by providing public services funding for services. Funding would be provided to VINE transportation and chore services, ECHO and Feeding our Communities Partners (Back Pack Food Program) to address nutrition, to Open Door Health Clinic to provide medical care, and to the Tapestry program to provide educational programming for new Americans.

Objective 3: Affordable housing (\$125,000)

Outcome: Provide local leverage needed to create or preserve at least 40 units of affordable housing. Should tax credits not be awarded to a project in Mankato, funds will be reallocated to the owner occupied housing rehabilitation program.

#### Objective 4: Park Improvements (\$100,000)

Outcome: Enhance the quality of life for a neighborhood with a high concentration of low-to-moderate income households by making improvements to a neighborhood park.

#### Objective 5: Planning and Administration (\$48,000)

Outcome: City staff planning and administering the CDBG program, including, but not limited to preparation of plans and reports, eligibility determinations, completion of procurement process, and monitoring sub-grantees.

### **3. Evaluation of past performance**

The owner occupied housing rehabilitation program has been effective in preserving the existing affordable housing stock as well as improving the quality of life for low to moderate income homeowners. Much of Mankato's housing stock is over 50 years old. There remains strong interest and support in this program.

Improving the neighborhood parks that serve low to moderate income neighborhoods also improves the quality of life. Improvements to Columbia Park, including installation of new playground equipment, was completed in 2015. Columbia Park is located within the Germania Park neighborhood. The city worked with the Lincoln Park neighborhood in 2018 on plans and designs for park improvements to their neighborhood park which included installation of new playground equipment in the fall of 2018.

The need for additional affordable housing continues as the Mankato area continues to grow. One hundred and ten (110) units of affordable housing were created with city provided local leverage in the last six years. Fifty units of affordable housing was created for the 2016 program year with leverage from Community Development Block Grant (CDBG) and Low Income Housing Tax Credits. Construction of Dublin Crossing was completed in 2018. Joseph Development was awarded Low Income Housing Tax Credits in 2017 and the City of Mankato approved tax increment financing (TIF) to assist with developing a 60-unit apartment building of affordable housing near Rosa Parks Elementary. Construction of Rosa Place is anticipated to be completed in 2019. CommonBond Communities was awarded Low Income Housing Tax Credits in 2018 to create 45 units of affordable housing; Dublin Heights.

The goal of creating additional affordable and workforce housing is an important objective in the Consolidated Plan. The City of Mankato partnered with Minnesota Valley Action Council (MVAC) and manufactured park owners to start a pilot manufactured home replacement program in 2017. To date, four substandard manufactured homes have been replaced for low income households. After a

successful first year we are beginning our second phase of this program. This program has seen positive press with the media.

Public service dollars were spent to lesson hunger in our community, to provide transportation, educational programs to help non-English speaking citizens, chore services to elderly and disabled, and to provide medical care to low income citizens. There is still a need to provide public service dollars as Mankato continues to grow.

#### **4. Summary of Citizen Participation Process and consultation process**

A draft of the 2019 Action Plan was made available on the City's website and copies were also available for review at the Intergovernmental Center, located at 10 Civic Center Plaza, PO Box 3368, Mankato, MN 56002-3368 during the office hours of 8:00 a.m. to 4:30 p.m. A 30-day public comment period occurred from April 5, 2019 until May 5, 2019. Notice of the public comment period was published in the Mankato Free Press on April 5, 2019. A public hearing for the 2019 Action Plan was held on May 13, 2019. Notice of the public hearing was published online on the City's website. Notices of public hearings were sufficiently detailed for citizens to identify the content of the hearing and the types of programs or services eligible for CDBG funding. Records will be kept available for a minimum of five years prior to being placed in file storage for closed projects or closed program years.

#### **5. Summary of public comments**

No comments were received during the 30-day comment period or the public hearing.

#### **6. Summary of comments or views not accepted and the reasons for not accepting them**

No comments were received during the 30-day comment period nor the public hearing.

#### **7. Summary**

In summary, goals for the 2019 CDBG program year include completing two owner occupied housing rehabilitation projects, provide funds to leverage creation or preservation of at least 40 units of affordable housing, administration and planning, park improvements, and providing funds for public services, including VINE Faith in Action, Open Door Health Center, ECHO, Feeding our communities Partners (Back Pack Program) and the Tapestry program. Through the rehabilitation of owner occupied housing, lead based paint hazards will be abated. The City coordinates with the Minnesota Department of Health regarding lead based paint for obtaining lead certified contractors. The 2019 CDBG Action Plan is based on estimated funding.

## PR-05 Lead & Responsible Agencies – 91.200(b)

### 1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	MANKATO	Community Development Department

Table 1 – Responsible Agencies

### Narrative

The City Manager designated the Community Development Department as the lead for overseeing the development of the plan and the major public and private agencies responsible for administering programs covered by the Consolidated Plan. To help identify community needs and gaps in delivery of services, the City of Mankato has worked with a number of public and private agencies as partners to develop the Consolidated Plan and 2019 Action Plan documents.

### Consolidated Plan Public Contact Information

The public can contact the Community Development Department of the City of Mankato with questions or comments about the Consolidated Plan and the planning process. Specific staff can be reached:

Courtney Kramlinger, Economic Development Specialist, 10 Civic Center Plaza, Mankato, MN 56001; 507-387-8638;  
ckramlinger@mankatomn.gov

## **AP-10 Consultation – 91.100, 91.200(b), 91.215(l)**

### **1. Introduction**

To develop the goals for the 2019 Action Plan, the City of Mankato considered public comments received during focus groups held to determine community need as part of the Consolidated Plan outreach, as well as communication with area social service providers that takes place on a continual basis. The Mankato Economic Development Authority (EDA) administers a spectrum of housing programs, (the Housing Choice Voucher Program, Public Housing, Shelter Plus Care, Bridges, Veteran's Administration Supportive Housing, Breckenridge Supportive Housing Project, Family Self-Sufficiency, First Home, and Home Stretch) serving a variety of needs, from the chronic long-term homeless to citizens planning to purchase their first homes. The provision of these programs requires the communication and coordination with a large array of local social service providers, homeless shelters, advocates for the victims of domestic abuse, advocates for Veterans, lenders, market rate housing providers, health care professionals, religious organizations, employers, and credit counselors to name a few. Working together with these services provides the communication needed to assess community need and keep CDBG Action Plan goals relevant.

### **Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))**

Staff of the EDA meet monthly with area homeless service providers to update the Coordinated Entry System and regularly attend Continuum of Care regional meetings. EDA staff also meet quarterly with area mental health professionals to administer the Bridges program which serves the mentally ill. Quarterly meetings are also held with the supportive housing case managers from Blue Earth County to administer the Shelter Plus Care Program and the long-term homeless supportive housing units located at Breckenridge Townhomes. Social workers from the Veteran's Administration (VA) and the Minnesota Assistance Council for Veterans (MAC-V) talk regularly with staff to lease-up and maintain compliance with the Veterans Administration Supportive Housing (VASH) program. Staff who administer the Housing Choice Voucher Program work regularly with market rate housing providers to locate suitable rental units and with area housing authorities to manage portability to and from the Mankato area. Public housing staff, as well as the staff who administer the voucher program, regularly call on service providers to assist program participants with a variety of needs from mental health services to emergency assistance to prevent utility shut-offs. Staff also work with lenders, employers, the Work Force Center, and a variety of social service professionals to move program participants from dependence on government assisted programs to self-sufficiency. Staff work with Lutheran Social Services (LSS) to coordinate credit and budget counseling, with Minnesota Valley Action Council (MVAC) to provide financial literacy education, as well as with area lenders, the Greater Minnesota Housing Fund (GMHF) and MN Housing to provide down payment assistance and affordable mortgage products for first time homebuyers. Staff attend quarterly networking meetings to receive updates from other

service providers. Every year staff participate in the Project Community Connect and the Vet's Standdown; two events that provide information and resources to homeless citizens. Staff have been instrumental in planning and providing the Tapestry Program, a program that helps new Americans assimilate into the Mankato community. Staff coordinate the provision of CDBG funds to local agencies who provide food, medical care, transportation, and chore services to low-income residents, the elderly and disabled in our community. CDBG funds are also provided to reduce cultural barriers seen in our community.

**Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.**

Staff of the Mankato EDA are active participants in the Southeast MN Continuum of Care. EDA staff meet monthly to organize and update the Coordinated Entry System (CES). The EDA administers Bridges, Shelter Plus Care, VASH program, and long-term homeless supportive housing units in our community. The provision of these programs requires communication with the Continuum of Care and area service providers as well as the VA. Staff have been trained to conduct the assessment needed to be an "entry" site for the new Coordinated Entry program designed to better serve the homeless citizens who come through our doors. Currently, when homeless citizens seek assistance, referrals are made to the appropriate service provider, including Lutheran Social Services for homeless youth, the Salvation Army for homeless single men, Partners for Affordable Housing (PAH) for women and children, the Committee Against Domestic Abuse (CADA) for victims, and MAC-V for Veterans who then refers to the VA. If citizens are threatened with homelessness, referrals are made to MVAC for homeless prevention and rapid re-housing. Meeting with the providers of homeless services in the region on a regular basis provides a platform to assess the needs in our area.

**Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS**

The Southeast MN Continuum of Care covers 20 counties in the southeast region of Minnesota. Meetings are monthly and located in various areas around the region. Members of the Continuum represent the agencies that provide homeless services in the region; it is not unusual for Continuum meetings to have 30-40 participants. Participants work together to develop performance standards and outcome evaluation protocols that are then used to rank projects for continued funding. Peer review is an important part of the evaluation process. Continuum members regularly discuss policies and procedures for the administration of the HMIS system and its use for reports and as the coordinated entry platform. Also discussed is the need for additional affordable housing and the need for shelter beds, needs that have been outlined in the City of Mankato's Consolidated Plan.

**2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities**

**Table 2 – Agencies, groups, organizations who participated**

1	<b>Agency/Group/Organization</b>	Minnesota Assistance Council for Veterans
	<b>Agency/Group/Organization Type</b>	Housing Services - Housing Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-homeless Services-Employment Service-Fair Housing Regional organization
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Non-Homeless Special Needs
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	EDA staff communicate regularly with staff from MAC-V to coordinate services for Veterans, to refer homeless Veterans to the VA, to provide case management, find jobs and suitable housing units as well as to provide emergency assistance and security deposits when needed. Staff from MAC-V have provided input in the CDBG planning process.



2	<b>Agency/Group/Organization</b>	BLUE EARTH COUNTY
	<b>Agency/Group/Organization Type</b>	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-homeless Services-Health Health Agency Child Welfare Agency Other government - County
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Non-Homeless Special Needs Anti-poverty Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Staff of Blue Earth County meet regularly with EDA staff to administer the Bridges, Shelter Plus Care, Family Self-Sufficiency, Public Housing and Housing Choice Voucher Programs. Blue Earth County staff participate in the Continuum of Care and the Coordinated Entry with EDA staff. Staff from the two agencies discuss the provision of service on a client based level, the coordination of grant preparation for Bridges and Shelter Plus Care, as well as the development of the Coordinated Entry system. Cooperative work with the new Coordinated Entry System has provided improved service delivery to homeless citizens. Staff from Blue Earth County Mental Health, Supportive Housing, and Public Health participated in the CDBG planning process.

3	<b>Agency/Group/Organization</b>	Minnesota Valley Action Council Inc
	<b>Agency/Group/Organization Type</b>	Housing PHA Services - Housing Services-Children Services-Elderly Persons Services-homeless Services-Employment Child Welfare Agency Regional organization
	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless Homeless Needs - Families with children Anti-poverty Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The EDA contracts with MVAC to provide financial literacy education for first time homebuyers, and to provide rehabilitation project management. EDA staff also refer homeless citizens to the homeless prevention and rapid re-housing programs administered by MVAC. Staff also coordinate the moves of Housing Choice Voucher program participants to Le Sueur and Faribault counties with MVAC staff. Staff from MVAC provided input for the CDBG planning process.
4	<b>Agency/Group/Organization</b>	Committee Against Domestic Abuse, CADA House
	<b>Agency/Group/Organization Type</b>	Housing Services-Victims of Domestic Violence Services-homeless Services - Victims Regional organization
	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Families with children

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	EDA and CADA staff coordinate housing resources for victims of domestic abuse. When CADA clients move into supportive housing units owned by the EDA, CADA staff provide case management services. CADA staff also participate in the Continuum of Care and Coordinated Entry meetings. Staff from CADA attended focus groups and provided input in the CDBG planning process.
5	<b>Agency/Group/Organization</b>	Lutheran Social Services
	<b>Agency/Group/Organization Type</b>	Services-homeless Services-Education Regional organization
	<b>What section of the Plan was addressed by Consultation?</b>	Homelessness Needs - Unaccompanied youth Budget and Credit Counseling
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The EDA contracts with Lutheran Social Service to provide the budgeting and credit counseling needed to move clients away from the dependence on government programs to self-sufficiency and homeownership. Referrals are made to LSS for homeless youth. LSS participates in the Continuum of Care and Coordinated Entry meetings. Lutheran Social Services have provided input regarding homeless youth.
6	<b>Agency/Group/Organization</b>	Veterans Administration
	<b>Agency/Group/Organization Type</b>	Services - Housing Services-Elderly Persons Services-Persons with Disabilities Services-Health Health Agency Publicly Funded Institution/System of Care Other government - Federal Regional organization

	<b>What section of the Plan was addressed by Consultation?</b>	Homelessness Needs - Veterans
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Staff of the EDA coordinate the Veteran's Administration Supportive Housing Program with social work staff of the VA. VA staff refer clients to the EDA for housing assistance; then once under contract the VA staff provide case management services. VA staff also participate in the Continuum of Care meetings.
7	<b>Agency/Group/Organization</b>	Continuum of Care - Southeast Region
	<b>Agency/Group/Organization Type</b>	Regional organization Planning organization
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	EDA staff participate in the planning and coordination activities of the Southeast Region Continuum of Care and Coordinated Entry meetings. The Continuum of Care provides an opportunity of the providers of homeless services in the region to meet and plan. Representatives of the Continuum of Care have provided input in the CDBG planning process.
8	<b>Agency/Group/Organization</b>	MN Council of Churches
	<b>Agency/Group/Organization Type</b>	Services-Education Services-Employment Regional organization
	<b>What section of the Plan was addressed by Consultation?</b>	Non-Homeless Special Needs Serves immigrant community

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	EDA staff and the Mankato Department of Public Safety work closely with the local office of the Council of Churches to provide resources and education to new Americans living in our community. The major effort is the provision of the Tapestry Program that educates newly arrived immigrants in local resources such as public transportation, library services, the role of the fire and police departments etc. Input from the MN Council of Churches resulted in CDBG funding for the Tapestry Program starting in the 2016 funding year.
9	<b>Agency/Group/Organization</b>	VINE Faith in Action
	<b>Agency/Group/Organization Type</b>	Services-Elderly Persons Services-Persons with Disabilities Regional organization Services - Immigrants
	<b>What section of the Plan was addressed by Consultation?</b>	Non-Homeless Special Needs Transportation
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	VINE provides after-hours transportation, chore services, meals on wheels, and services to the elderly and disabled in our community. EDA staff serve on the advisory board that oversees VINE's efforts to reach out to elderly immigrants who are isolated in our community. The transportation services provided by VINE help the EDA move families to self-sufficiency by providing a way for families to work second shifts. Staff also refer disabled clients to VINE for the provision of accessible ramps and medical equipment. Input from staff from VINE has been instrumental in determining the needs of the elderly in our community.

### Identify any Agency Types not consulted and provide rationale for not consulting

All community service providers were invited to participate in the focus groups that took place during the consolidated planning process.

### Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	River Valley (Southeast CoC) Continuum of Care	The Continuum of Care strives to house the homeless in our region; the need for additional affordable housing and shelter beds is identified region wide, meeting this stated need is identified as a goal in the City of Mankato Consolidated Plan. Funds will be allocated to the annual Action Plan when a site for additional shelter beds is determined.
City Center Renaissance Plan	City of Mankato	The City Center Renaissance Plan identified the need for ongoing commercial and housing rehabilitation within Mankato's City Center. Many of the neighborhoods included in the CDBG targeted area are within the City Center.

**Table 3 – Other local / regional / federal planning efforts**

## **AP-12 Participation – 91.105, 91.200(c)**

### **1. Summary of citizen participation process/Efforts made to broaden citizen participation**

A draft of the 2019 Action Plan was made available on the City's website. Copies were also available for review at the Intergovernmental Center, located at 10 Civic Center Plaza, PO Box 3368, Mankato, MN 56002-3368 during the office hours of 8:00 a.m. to 4:30 p.m. A 30-day public comment period occurred from April 5, 2019 until May 5, 2019. Notice of the public comment period was published in the Mankato Free Press on April 5, 2018. A public hearing for the 2019 Action Plan was held on May 13, 2019. Notice of the public hearing was published in the Mankato Free Press on May 3, 2019. The City Council agendas were also published online on the City's website. Notices of public hearings are sufficiently detailed for citizens to identify the content of the hearing and the types of programs or services eligible for CDBG funding.

City staff spoke with public service providers to discuss ongoing needs, as well as new project possibilities.

City staff utilized the City of Mankato 2015-2019 Consolidated Plan to guide the goals of the 2019 Action Plan. The first step taken in creating the 2015-2019 Consolidated Plan was the implementation of the Citizen Participation Plan. The City of Mankato developed and followed the detailed plan which provides for, and encourages, citizen participation and which emphasizes participation by persons of low or moderate income, particularly residents of predominantly low and moderate income neighborhoods, slum or blighted areas, and areas in which the grantee proposes to use CDBG funds. In seeking input for the 2015-2019 Consolidated Plan, notification was made to neighborhood associations, flyers were distributed to 58 local groups (ranged from homeless and housing providers, social service agencies, economic development/government), City of Mankato website, City of Mankato Twitter, City of Mankato Facebook, press releases, and chairpersons from Envision 2020 were also notified (Envision 2020 is a long-range community plan, an implementation team was formed to guide community implementation of the plan).

A Request for Proposals (RFP) was used to reach providers of public services and provide the opportunity to access the public services funds. A news release was made notifying the public of the RFP for public service grants. The application was made available on the city's website and sent to Mankato public service providers. Selection criteria for proposals identified for funding were based on quality services provided that would meet needs identified in the 2015-2019 Consolidated Plan, would provide high benefit to low-income persons; maximize use of outside funds or leveraging and services which are coordinated with other public and private efforts; clearly defined scope, location, need, budget, goals, and means for evaluation of program progress; help people with special needs achieve better access to and use of existing services; demonstrate capacity of application and capability to be carried out successfully; clearly stated goals and evaluation criteria that are specific, measurable, and

realistic; support or coordinate with other community development efforts; present a reasonable and sound budget; and are to be implemented by organization with solid track record. To guide awards, the review panel (made up of City Council members and staff) used the City's Consolidated Plan priorities.

#### Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public comment periods	Non-targeted/broad community	No comments were received.	No comments were received.	No comments were received.	
2	Public Hearing	Non-targeted/broad community	No comments were received.	No comments were received.	No comments were received.	

**Table 4 – Citizen Participation Outreach**



## Expected Resources

### AP-15 Expected Resources – 91.220(c)(1,2)

A variety of funding sources will complement and leverage CDBG funds to meet established goals. These resources include matching funds from property owners participating in the rehabilitation programs, matching funds from public service providers, the Public Housing Capital Fund Program, the EDA levy and revolving loan funds, social services provided by Blue Earth County Human Services and the Veteran's Administration, the State of Minnesota and the Minnesota Home Ownership Center. The city

will consider all possible resources, including any future programs.

### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	376,417	0	0	376,417	0	Funds will be used to complete two owner occupied housing rehabilitation projects, park improvements to one neighborhood park, provide leverage for creation or preservation of at least 40 units of affordable housing, planning and administration, and public services provided by VINE Faith in Action, ECHO, Open Door Health Care Center, Back Pack Food Program and Tapestry.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Continuum of Care	public - federal	Housing	53,171	0	0	53,171	0	Continuum of Care provides funding for 8 units of shelter + care.
Public Housing Capital Fund	public - federal	Housing	212,000	0	0	212,000	0	Public Housing Capital Fund Program provides the resources needed to maintain the public housing stock.
Other	public - federal	Housing	85,000	0	0	85,000	0	Funds from HUD for the Family Self Sufficiency program (FSS).

Other	public - state	Housing							The state of Minnesota provides funding for two different educational programs targeted to first time homebuyers. Home Stretch is offered to the general community and is required to use any government insured mortgage products. The Homeownership Capacity Program (First Home) is targeted to emerging market families and others who would benefit from financial literacy education and personal financial coaching. After completing First Home; participants are encouraged to take Home Stretch. The
			269,500	0	0	269,500	0		

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
								state also provides funding for the Bridges program that houses homeless mentally ill families and individuals.
Other	public - local	Housing	100,000	0	0	100,000	0	Provides up to \$5,000 of down payment assistance is provided to homeownership capacity graduates and is matched with another \$5,000 from the Greater Minnesota Housing Fund (GMHF).

Table 5 - Expected Resources – Priority Table

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

A variety of funding sources will complement and leverage CDBG funds to meet established goals. These resources include matching funds from property owners participating in the rehabilitation programs, matching funds from agencies providing public services, the Public Housing Capital Fund Program, the EDA levy, social services provided by Blue Earth County Human Services and the Veteran's Administration, the State of Minnesota and the Minnesota Home Ownership Center.

For Public Services, it is required that each agency receiving funds provide a 50% match. Low-income

home owners pay a match based on ability to pay; this requirement is waived for extremely low-income home owners. Social services (case management) is leveraged by the Shelter + Care, Bridges, and VASH programs to keep long term homeless people in a housed condition.

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Owner-Occupied Housing Rehabilitation	2015	2019	Affordable Housing	Lincoln Park Tourtellotte Park Hilltop Washington Park Sibley Park Germania Park North Highland Park	Owner-Occupied Housing Rehabilitation	CDBG: \$51,417	Homeowner Housing Rehabilitated: 2 Household Housing Unit
3	Medical Care	2015	2019	Non-Homeless Special Needs		Medical Care for the under-insured	CDBG: \$7,000	Other: 63 Other
4	VINE Faith in Action	2015	2019	Non-Homeless Special Needs		Food Support Transportation/Chore Service	CDBG: \$30,000	Other: 609 Other
5	Tapestry Program	2015	2016	Non-Homeless Special Needs		Tapestry Program	CDBG: \$3,000	Other: 8 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Nutrition Support - Children	2015	2019	Non-Homeless Special Needs		Food Support	CDBG: \$5,000	Other: 498 Other
7	Nutrition Support - Adults	2015	2019	Food Support - Public Service		Food Support	CDBG: \$7,000	Other: 300 Other
8	Affordable Housing	2015	2017	Affordable Housing Homeless		Affordable Housing	CDBG: \$125,000	Rental units constructed: 40 Household Housing Unit
9	Germainia Park Improvements	2015	2017	Non-Housing Community Development	Lincoln Park Tourtellotte Park Hilltop Washington Park Sibley Park Germainia Park North Highland Park	Park Improvements	CDBG: \$100,000	

**Table 6 – Goals Summary**

## Goal Descriptions



<b>1</b>	<b>Goal Name</b>	Owner-Occupied Housing Rehabilitation
	<b>Goal Description</b>	Two units of owner occupied housing will be rehabilitated in the 2019 program year. Homes selected will be located in the targeted area for housing rehabilitation.
<b>3</b>	<b>Goal Name</b>	Medical Care
	<b>Goal Description</b>	Open Door Health Clinic will provide medical care to low-income under-insured citizens.
<b>4</b>	<b>Goal Name</b>	VINE Faith in Action
	<b>Goal Description</b>	VINE Faith in Action will receive funding to provide transportation to low-income individuals and families to get to work in evening hours, transportation for elderly and disabled people to access medical care and the senior center, for Meals on Wheels, adult literacy to help refugee elders and other literacy-challenged adults improve reading and writing skills, and for chore services that provide the independence needed to help elderly and disabled remain in their own homes.
<b>5</b>	<b>Goal Name</b>	Tapestry Program
	<b>Goal Description</b>	The Tapestry Program will receive funding to provide two educational programs this year for new low-income immigrants in our community.
<b>6</b>	<b>Goal Name</b>	Nutrition Support - Children
	<b>Goal Description</b>	Provide food support to low-income school-age children.
<b>7</b>	<b>Goal Name</b>	Nutrition Support - Adults
	<b>Goal Description</b>	ECHO Food Shelf will be assisted to reach more households with homebound individuals by delivering emergency food support for low-to-moderate income households.

8	<b>Goal Name</b>	Affordable Housing
	<b>Goal Description</b>	CDBG funds in the amount of \$100,000 will be used to prepare the site for a LIHTC project that will create or preserve at least 40 units of affordable housing. Should a tax credit project not be awarded, funds would be reallocated to owner occupied housing rehabilitation. Additionally, CDBG funds in the amount of \$25,000 will be used for housing rehabilitation to preserve affordable housing units at Colonial Square Apartments in Mankato.
9	<b>Goal Name</b>	Germainia Park Improvements
	<b>Goal Description</b>	Provide improvements to a neighborhood park with a high concentration of low to moderate income households, improving the quality of life in a low income neighborhood. The Consolidated plan called for increasing the availability/accessibility to a suitable living environment by providing park improvements in low income neighborhoods.

## Projects

### AP-35 Projects – 91.220(d)

#### Introduction

The projects planned for the 2019 program year are based on identified community needs and include owner occupied rehabilitation, affordable housing, administration and planning, and public services.

#### Projects

#	Project Name
1	Owner Occupied Housing Rehabilitation
2	Planning and Administration
4	VINE Faith in Action
5	ECHO
6	Open Door Health Clinic
7	MN Council of Churches - Tapestry
8	Feeding our Communities Partners (Back Pack)
9	Affordable Housing
10	Park Improvements

Table 7 - Project Information

#### Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Allocation priorities were made based on input received as to needs in the community. The largest obstacle that exists to addressing underserved needs is the lack of available funds. As budgets continue to get tighter, it becomes more difficult to address the needs of low to moderate income households.

**AP-38 Project Summary**  
**Project Summary Information**

1	<b>Project Name</b>	Owner Occupied Housing Rehabilitation
	<b>Target Area</b>	Lincoln Park Tourtellotte Park Hilltop Washington Park Sibley Park Germainia Park North Highland Park
	<b>Goals Supported</b>	Owner-Occupied Housing Rehabilitation
	<b>Needs Addressed</b>	Owner-Occupied Housing Rehabilitation
	<b>Funding</b>	CDBG: \$51,417
	<b>Description</b>	Two units of owner occupied housing will be rehabilitated in 2019. Homes selected will be located in the targeted areas for housing rehabilitation.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	It is anticipated that two low to moderate income households will benefit from the proposed activity.
	<b>Location Description</b>	Specific address is not yet known, property would be located within one of the targeted areas for owner occupied housing rehabilitation.
2	<b>Planned Activities</b>	Planned activities include, but are not limited to, remediation of lead based paint hazards, energy efficiency upgrades, exterior improvements, and other code compliance improvements.
	<b>Project Name</b>	Planning and Administration
	<b>Target Area</b>	
	<b>Goals Supported</b>	Owner-Occupied Housing Rehabilitation Medical Care Nutrition Support - Adults Nutrition Support - Children VINE Faith in Action Tapestry Program
	<b>Needs Addressed</b>	
	<b>Funding</b>	CDBG: \$48,000
	<b>Description</b>	Planning and administration cost associated with the CDBG program.

	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	
	<b>Location Description</b>	
	<b>Planned Activities</b>	City staff planning and administering the CDBG program, including but not limited to, preparation of plans and reports, eligibility determinations, completion of procurement processes, and monitoring sub-grantees.
<b>3</b>	<b>Project Name</b>	VINE Faith in Action
	<b>Target Area</b>	
	<b>Goals Supported</b>	VINE Faith in Action
	<b>Needs Addressed</b>	Food Support Transportation/Chore Service
	<b>Funding</b>	CDBG: \$30,000
	<b>Description</b>	Public service dollars will support transportation for low-income families to get to work in the evening hours, to assist elderly and disabled citizens access medical care and the services at the senior center, meals on wheels, and chore services needed to help keep elderly and disabled independent in their own homes.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	It is estimated that 1,500 low-income elderly and disabled citizens will benefit from the proposed activities
	<b>Location Description</b>	
	<b>Planned Activities</b>	Public service dollars will support transportation for low-income families to get to work in the evening hours, to assist elderly and disabled citizens access medical care and the services at the senior center, meals on wheels, and chore services needed to help keep elderly and disabled independent in their own homes.
<b>4</b>	<b>Project Name</b>	ECHO
	<b>Target Area</b>	
	<b>Goals Supported</b>	Nutrition Support - Adults

	<b>Needs Addressed</b>	Food Support
	<b>Funding</b>	CDBG: \$7,000
	<b>Description</b>	Provide emergency food support to low-to-moderate income individuals.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	It is estimated that 300 low income people will benefit from the proposed activity.
	<b>Location Description</b>	
	<b>Planned Activities</b>	To provide emergency food support to low-to-moderate income individuals.
<b>5</b>	<b>Project Name</b>	Open Door Health Clinic
	<b>Target Area</b>	
	<b>Goals Supported</b>	Medical Care
	<b>Needs Addressed</b>	Medical Care for the under-insured
	<b>Funding</b>	CDBG: \$7,000
	<b>Description</b>	Public service dollars will be spent to provide medical care for low-income under-insured individuals.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	It is estimated that 63 low-income underinsured people will benefit from the proposed activity.
	<b>Location Description</b>	
	<b>Planned Activities</b>	Public service dollars will be spent to provide medical care for low-income under-insured individuals
<b>6</b>	<b>Project Name</b>	MN Council of Churches - Tapestry
	<b>Target Area</b>	
	<b>Goals Supported</b>	Tapestry Program
	<b>Needs Addressed</b>	Tapestry Program
	<b>Funding</b>	CDBG: \$3,000

	<b>Description</b>	Public service dollars will be spent to provide educational services to a special needs group; low-income new immigrants to the community. This group of non-English speakers need assistance in lease compliance, shopping (what to buy when you can't read the labels), the role of community services and resources such as the Department of Public Safety. It is expected that this program will be offered twice in the coming year.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	It is estimated that 8 low-income new immigrants will benefit from the proposed activity.
	<b>Location Description</b>	
	<b>Planned Activities</b>	Public service dollars will be spent to provide educational services to a special needs group; low-income new immigrants to the community. This group of non-English speakers need assistance in lease compliance, shopping (what to buy when you can't read the labels), the role of community services and resources such as the Department of Public Safety. It is expected that this program will be offered twice in the coming year.
<b>7</b>	<b>Project Name</b>	Feeding our Communities Partners (Back Pack)
	<b>Target Area</b>	
	<b>Goals Supported</b>	Nutrition Support - Children
	<b>Needs Addressed</b>	Food Support
	<b>Funding</b>	CDBG: \$5,000
	<b>Description</b>	Public service dollars will be spent to provide food for low-income children.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	It is estimated that 498 low income children will benefit from the proposed activity.
	<b>Location Description</b>	
	<b>Planned Activities</b>	Public service dollars will be spent to provide food for low-income children.



8	<b>Project Name</b>	Affordable Housing
	<b>Target Area</b>	Affordable Housing – New construction
	<b>Goals Supported</b>	Affordable Housing
	<b>Needs Addressed</b>	Affordable Housing
	<b>Funding</b>	CDBG: \$125,000
	<b>Description</b>	CDBG funds in the amount of \$100,000 will be used to prepare the site for a LIHTC project that will create or preserve at least 40 units of affordable housing. Should a tax credit project not be awarded, funds would be reallocated to owner occupied housing rehabilitation. Additionally, CDBG funds in the amount of \$25,000 will be used for housing rehabilitation to preserve affordable housing units at Colonial Square Apartments in Mankato.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	It is estimated that at least 40 low to moderate income households would benefit from the proposed activity.
	<b>Location Description</b>	Specific location is not yet known.
	<b>Planned Activities</b>	Development of at least 40 units of affordable housing is planned or preservation of existing affordable units.
9	<b>Project Name</b>	Park Improvements
	<b>Target Area</b>	Lincoln Park Tourtellotte Park Hilltop Washington Park Sibley Park Germainia Park North Highland Park
	<b>Goals Supported</b>	Park Improvements
	<b>Needs Addressed</b>	Park Improvements
	<b>Funding</b>	CDBG: \$100,000
	<b>Description</b>	Improvements to a neighborhood park with a high concentration of low-to-moderate income households.
	<b>Target Date</b>	6/30/2020

	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	
	<b>Location Description</b>	Specific location is not yet known, but it would be a neighborhood park in a low income neighborhood.
	<b>Planned Activities</b>	Improvements to a neighborhood park located in a low income neighborhood.

## **AP-50 Geographic Distribution – 91.220(f)**

### **Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed**

For the 2019 CDBG Action Plan, 14% of the CDBG allocation will be spent on owner-occupied housing rehabilitation within targeted areas of Mankato, including the following neighborhoods: Sibley Park, Lincoln Park, North Highland Park, Washington Park, Tourtellotte Park, Germania Park and Hilltop. Applications from any of the targeted neighborhoods will be considered. Additionally, 29% of the CDBG allocation will be spent on affordable housing and 29% of the CDBG allocation will be spent on park improvements.

### **Geographic Distribution**

<b>Target Area</b>	<b>Percentage of Funds</b>
Lincoln Park	
Commercial Targeted Area	
Tourtellotte Park	
Hilltop	
Washington Park	
Sibley Park	
Germania Park	
North Highland Park	
Affordable Housing - New Construction	

**Table 8 - Geographic Distribution**

### **Rationale for the priorities for allocating investments geographically**

The targeted areas were selected based on neighborhoods with the largest concentration of low to moderate income households and the oldest housing/building stock.

## Affordable Housing

### AP-55 Affordable Housing – 91.220(g)

CDBG dollars will be used to rehabilitate three owner occupied homes to assist with preserving the city's affordable housing stock. CDBG funds will also be used as leverage for creation or preservation of at least 40 units of affordable housing.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	42
Special-Needs	0
Total	42

**Table 9 - One Year Goals for Affordable Housing by Support Requirement**

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	40
Rehab of Existing Units	2
Acquisition of Existing Units	0
Total	42

**Table 10 - One Year Goals for Affordable Housing by Support Type**

## **AP-60 Public Housing – 91.220(h)**

The Mankato EDA manages 179 public housing units within the City of Mankato and 84 additional units outside of the city in Blue Earth County. The public housing units will be maintained through the use of the Public Housing Capital Fund program. There is a plan to replace two units that were disposed of in the past; a development proposal to replace these units has been submitted to HUD. The proceeds from the sale of those units has been held in reserve for the replacement.

### **Actions planned during the next year to address the needs to public housing**

Routine maintenance occurs as needed and is funded by rents received and the annual operating subsidy provided by HUD. Capital improvements are planned annually and on a five year basis and are paid for by the Public Housing Capital Fund Program. Public housing units are rehabilitated when needed, including replacing flooring, HVAC, bathrooms, kitchens, energy efficient improvements, and paint when units are vacant, landscaping as needed, and roofs as scheduled for replacement.

### **Actions to encourage public housing residents to become more involved in management and participate in homeownership**

Orness Plaza tenants are involved in planning activities in the building. A wide variety of programs take place on a regular basis that include history lectures, musical programs, exercise classes, and the Wii bowling league. The EDA also provides annual meetings to obtain input on program activities for the Agency Plan. For the residents of the family units, the city offers Home Stretch first time homebuyer education on a monthly basis. The Mankato EDA has been very successful in moving families to self-sufficiency and homeownership. Currently we have 26 families purchasing homes with their Housing Choice Vouchers.

### **If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

The PHA is designated as "High Performer."

## **AP-65 Homeless and Other Special Needs Activities – 91.220(i)**

The EDA participants in the regional Continuum of Care that receives funding through Community Development and Planning at HUD for supportive and emergency housing resources in the region. The EDA participates in the homeless Coordinated Entry system and has created a preference under the Housing Choice Voucher program that allow the EDA to take a percentage of participants from the coordinated entry system each month. The EDA has given preference for graduates of the supportive housing program to transition to the Housing Choice Voucher program when ready, creating availability in supportive housing programs to serve new households. New Mainstream vouchers were awarded this year to provide 28 additional vouchers to non-elderly, disabled households in the community. Staff continues to worked with the Salvation Army as well as Partners for Affordable Housing (PAH) to expand service to meet shelter needs and build community partnerships. In 2014, CDBG funds were spent on a feasibility study to see if an expansion to a new facility, "Marion Hall" is possible for Partners for Affordable Housing. If it appears that this transition will occur, CDBG funds will be allocated for facility rehabilitation to convert the existing building to a homeless shelter. Currently, the owners of Marion Hall are assessing their needs for the building and if they are able to lease it to PAH as a shelter. In the meantime, PAH is looking for another potential site to be used as a shelter.

In 2015 and 2017, CDBG funds were used to rehab portions of the current family shelters, the Welcome Inn and Theresa House. Additionally, several transitional housing units also owned by PAH received rehabilitation through the CDBG program.

In 2016, one Low Income Housing Tax Credit project was approved for the city of Mankato which leveraged CDBG funds from the 2016 program year. This project provided seven units for long-term homeless families and four units that meet 504 accessibility regulations for disabled citizens. Construction of this project, Dublin Crossing, was completed in 2018.

### **Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

Using funds other than CDBG, the Mankato EDA will administer the Shelter Plus Care, VASH, Breckenridge Townhomes, and Bridges rental assistance programs that reach out to long-term homeless, chronically homeless, and high priority homeless in our community. This year staff has requested 75 Bridges vouchers to expand the program throughout the South Central Community Mental Health Initiative region enabling the EDA to serve households with mental illness transition from homelessness or other segregated settings in all nine counties. All of these programs provide social services to address the individual needs of the participants. Preference is given to homeless citizens waiting for the public housing program.

Staff of the EDA have developed the preference to take referrals from the region's homeless

Coordinated Entry System and provide rental subsidy under the Housing Choice Voucher and Public Housing programs. When homeless individuals and families come to the office they will apply for services offered by the EDA and are referred for assessment to the Coordinated Entry waiting list. Staff meet monthly with area service providers to update the list and provide information regarding available services for the homeless and participate with the regional Continuum of Care.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

The City of Mankato will consider the use of CDBG funds to assist with the shelter expansion. This is not a goal within this program year, as no local shelter providers currently have the capacity to expand shelter beds.

Staff continues to participate in the homeless "Point in Time Count" completed this winter and are awaiting the report on homelessness in Minnesota. They continue to participate in the Project Community Connect resource event for homeless and those at risk of homeless promoting opportunities for affordable housing.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

Using funds other than CDBG, the Mankato EDA will administer the Shelter Plus Care, VASH, Breckenridge Townhomes, and Bridges rental assistance programs that reach out to long-term homeless in our community. Recently, we applied for more funding to expand the Bridges vouchers enabling the EDA to service the program regionally. The Bridges program stabilizing housing for homeless persons and those leaving segregated settings with mentally health issues. All of these programs provide supportive services to address the individual needs of the participants. Social service staff work to provide the medical, educational, and employment resources needed to move these families to self-sufficiency and to prevent future homelessness. Preference is given to homeless families and individuals from the Coordinated Entry system.

Staff of the EDA have been involved in the development of the region's Coordinated Entry System and provide services to those who are on the list.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving**

**assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.**

The EDA under the Bridges program, does provide priority preference to eligible households with serious mental illness who are homeless, leaving health care centers, mental health treatment centers, ERTS, correctional facilities, and or institutions. Staff start working with households prior to release to assist them in securing housing as they leave these segregated settings. Through the most recent funding round, the EDA made request for additional funding of the Bridges program to expand the program regionally. The EDA revised its administrative policies and practices that have loosened the requirements around criminal histories and provides opportunity to appeal terminations based on in criminal background. The EDA encourages participation in the Family Self Sufficiency program which supports increased income and employment.

Programs are in place in the community to address homeless prevention; the need to use CDBG funds for this purpose was not identified.



## **AP-75 Barriers to affordable housing – 91.220(j)**

The Analysis of Fair Housing Impediments report completed in February of 2015 found that the largest barrier to affordable housing in the City of Mankato was the lack of it. The study also revealed that wages were low compared to the cost of living, the location and schedule of public transportation was an issue, language barriers impeded employment and access to resources, and a long or closed voucher waiting list. Mankato has been fortunate to have affordable housing projects that were made possible through award of Low Income Housing Tax Credits. A low income housing tax credit project was awarded to CommonBond Communities in 2016 which created 50 new units of affordable housing; construction was completed in 2018 for Dublin Crossing. Joseph Development was awarded Low Income Housing Tax Credits in 2017 to create 60 additional affordable housing units; construction is anticipated to be completed in 2019 for Rosa Place. The City of Mankato approved tax increment financing (TIF) to assist with the affordable housing development. In 2018, CommonBond Communities was awarded Low Income Housing Tax Credits to create 45 units of affordable housing. The EDA is also coordinating with a number of developers intent on making application for low income housing tax credits this year and utilizing Project-Based Housing Choice Vouchers.

The study concluded that the policies, procedures, and practices of the City of Mankato are in compliance with Federal Fair Housing Guidelines and do not adversely affect citizen's housing choice. The study reported that the city has never been involved in a housing discrimination lawsuit with the Department of Justice, MN Attorney General's Office or any other party.

### **Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

No policies, land use controls, zoning ordinances, building codes, fees and charges, or other regulations have been identified that present a barrier to affordable housing. The following activities are being addressed in the Action Plan:

- Support efforts to provide funding for owner-occupied housing rehabilitation to low-income households.
- Continue partnership with agencies who provide services and housing to homeless citizens.
- Support efforts that renovate rental and commercial units to support quality affordable housing and economic development efforts.
- Address underserved needs to maintain affordable housing such as providing community services to low-income elderly and disabled individuals who wish to remain in their own homes.
- Support efforts to reduce cultural barriers in the community with public service dollars.
- Pay for after-hours transportation for low-income workers.

## **AP-85 Other Actions – 91.220(k)**

### **Introduction:**

Efforts will continue in the 2019 program year to address community needs, including maintaining affordable housing, providing safe living conditions, reducing the number of poverty level families and enhancing coordination of service providers.

### **Actions planned to address obstacles to meeting underserved needs**

One of the largest underserved needs identified by community leaders is the lack of shelter space. An increase in the number of shelter beds has been a goal for nine years and will continue to be until the need is met. Support for the expanded shelter beds through connections to possible resources will continue in an effort to meet this need. The City continues to evaluate buildings for the potential of providing additional shelter beds. Partners for Affordable Housing (PAH) and Connections Shelter have also looked for buildings for the possibility of providing additional shelter beds. A feasibility study was completed in 2014 for PAH to see if an expansion to a new facility, "Marion Hall," would be possible. The owners of Marion Hall are assessing their needs for the building, in the meantime, PAH is looking for another potential site. It is also important that existing shelters remain code compliant so they can be preserved and can continue to stay open.

### **Actions planned to foster and maintain affordable housing**

The city's existing public housing will require continued maintenance so the units can be preserved. As turnover of units occurs, the housing units are rehabilitated to assist with their preservation. Efforts to rehabilitate the stock of affordable housing will continue as well, including providing information on resources for rehabilitation to homeowners.

### **Actions planned to reduce lead-based paint hazards**

Through the rehabilitation of owner occupied housing lead-based paint hazards will be abated.

### **Actions planned to reduce the number of poverty-level families**

CDBG funds will be used on public services that will improve the lives of extremely low-income citizens by providing food, medical care, transportation to work and medical appointments, meals on wheels, and chore services to maintain independence. Cultural barriers will be reduced to assist new Americans assimilate into the workforce.

Funds outside of the CDBG program help low-income renters and emerging market families purchase a

first home and provide case management needed to achieve the goal of self-sufficiency.

The City of Mankato works to provide adequate and affordable housing, economic opportunity to lift low income households out of poverty. The City identifies housing needs in the community and collaborates with local, state and federal resources to meet those needs. Our community provides programs for housing and homeownership that include (additional programs are detailed within the discussion):

- Affordable Rental Housing (ARH) Program (Public Housing) has assisted 369 low-income households in subsidized housing this past year, managed by the City of Mankato. Rent paid by tenants is structured to 30% of income. To qualify for the Affordable Rental Program, applicants must meet income guidelines, have good rental references, no history of drug involvements or violent behavior. Staff manages and maintains 179 units in Mankato (56 structures) and 66 units in Blue Earth County (29 structures). Range in size from 1 to 5 bedrooms. Since 1998, capital improvements to properties total \$6 million, plus an additional \$500,000 in ARRA stimulus funds.
- Housing Choice Voucher (HCV) Program provides rental subsidies to 682 very low income households within Blue Earth County this past year. Participants of this program receive a voucher that allows them to choose housing in the private rental market; they pay about 30% of income for rent and utilities. Before assistance is paid, the unit is inspected to ensure it is safe, decent, and sanitary. Applicants must meet income guidelines, have no history of drug involvements or violent behavior.
- Family Self-Sufficiency Program (FSS) is a voluntary option for individuals under lease with a Housing Choice Voucher Program. This past year 32 participants developed goals to increase earned income and ultimately become self-sufficient over a 5 year period, and 2 Households became economically self-sufficient. A savings account is established and deposits are made when the participants earned income increases. Money the EDA saves by paying less rent for the participant is deposited into the interest earning escrow account. Participants who complete the program goals may use this savings account for a variety of opportunities such as purchasing a home, returning to school, or buying a vehicle.
- Voucher Homeownership Program provided financial assistance to 26 HCV voucher holders this past year. This program can provide monthly subsidies toward homeownership for the full term of the mortgage for disabled households and up to 15 years under a 30 year mortgage for low income voucher holders. Participants attend the First steps and Home Stretch educational workshops and have their home inspected by a certified home inspector prior to purchase. They

may receive downpayment assistance through local and state funding.

### **Actions planned to develop institutional structure**

To meet most of the goals defined in the Consolidated Plan the institutional structure is in place.

Coordination with community providers will occur should new programs, such as job training, move forward in the future.

### **Actions planned to enhance coordination between public and private housing and social service agencies**

The existing partnerships in place to provide supportive housing to long term homeless will continue. These partnerships, with the Mankato EDA providing the rental assistance and Blue Earth County Human Services, MAC-V, Horizon Homes, the Veteran's Administration, and CADA House providing needed social services has worked well to eliminate long term homelessness in the Mankato area. A relationship with Minnesota Valley Action Council was created to teach financial literacy to low-income renters and emerging market households, as well as to begin a pilot program to replace substandard manufactured homes. We also partner with the Southwest MN Housing Partnership to provide HomeStretch homebuyer education and counseling.

- Shelter Plus Care provided 15 households with "project based" rental subsidy and supportive services at Cherry Ridge and Sibley Park apartments. The program is in partnership with Blue Earth County Human Services for people who are long-term homeless and chronically homeless and disabled. Participants pay 30% of income towards housing expense. The county provides the required case management; the individual is required to meet during set times by the case manager.
- MN Housing Bridges Program which provided 26 households with rental subsidies through a voucher program for people with Serious Mental Illness that pays a housing subsidy until a Housing Choice Voucher is received. Individuals must be referred by a case manager or mental health practitioner. The individual must be currently on the HCV waiting list, or apply to the HCV waiting list as soon as the waiting list reopens to remain eligible for the bridges program. As a regional coordinated effort the EDA partnered with the South Central Community Based Mental Health Initiative and service providers, Blue Earth County, and other Housing Authorities in the region to seek additional funding from MN Housing to expand the Bridges program.
- Home Stretch/ First Home Homebuyer Education Program provided in the community with First home being a very basic homebuyer education program taught in a small group "club" classroom setting. We served 26 households last year through the First Home Program. First Home targets participants of subsidized housing, (but we turn no interested parties away) with the goal of transitioning them from rental subsidy to homeownership. The curriculum covers basic financial literacy and home maintenance. Staff have found that this program has been

essential for helping new immigrants prepare for home purchase. Home buyer educational workshop open to the general public served 35 people this past year. Home Stretch involves eight hours of classroom instruction that covers every aspect of the home purchasing process. Professionals in home inspection, lending, real estate, insurance, personal and property safety, credit repair and financial literacy are on hand to share expertise and answer questions to program participants. Participants receive a certificate upon course completion that is required for MN Housing, RD, and VA first time homebuyer mortgage products. Research has shown that graduates of Home Stretch have fewer foreclosures than first time buyers who have not taken the course.

- Down payment assistance programs: When funds are available, down payment assistance is also provided by the Mankato EDA in a Homeownership capacity revolving loan fund. Staff provide down payment assistance funding for first time homebuyers on the Housing Choice Voucher program who purchase a home in our area. Down payment assistance is also available for emerging market buyers or buyers of foreclosed homes through the Achieve Program of the Southwest MN Housing Partnership.
- Housing Assistance Fund (HAF) Offered to homebuyers receiving a MN Housing mortgage products. Provides down payment assistance and/or monthly payment assistance in the form of a zero percent loan deferred for 30 years. Funds available through MN Housing.
- The EDA through Blue Earth County bonds with MN Housing to provide the Minnesota Cities Participation Program providing down-payment and low interest mortgages to first time homebuyers, step-up homebuyers, and MN Fix-Up funding for home rehabilitation.
- The City participates in the regional Continuum of Care and collaborates in the implementation of the Coordinated Entry (CE) system. CE is a coordinated process designed to manage participant intake, assessment, and provision of referrals for homelessness and access to supportive services that service over 1,000 households regionally.

## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.220(l)(1,2,4)

#### Community Development Block Grant Program (CDBG)

##### Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
<b>Total Program Income:</b>	<b>0</b>

#### Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	85.71%

It is estimated that 85.71% of funds from the 2019 Action Plan will benefit low-to-moderate income households.